

A15. Classification/Reclassification

Personnel Action: Classification/Reclassification: **Personnel Action Code:** 37, 38, 39
Upward, Downward, Lateral

Special Note: This procedure applies to all employees for *permanent* classification actions.

Policy Summary: Positions (i.e., vacant, newly established and filled) are classified based on the level of the assigned duties and responsibilities. The change of the title of an employee's current position to a title of a different class having a higher salary grade/range maximum is termed an **upward** reclassification. The change of the title of an employee's current position to a title of a different class having a lower salary grade/range maximum is termed a **downward** reclassification. The change of the title of an employee's current position to a title of a different class having the same salary grade/range maximum is termed a **lateral** reclassification.

The effective date of a reclassification is the first of the month following receipt of the Classification Review Request package in SHR Compensation.

Policy Reference(s):

PPSM	30, 36
CX	39, 45
EX	37, 41
HX	31
K7	34
NX	2
PA	N/A
SX	37, 41
RX	6, 41
TX	6, 41

Authority: Classification changes along with effective dates and the salary increase amount for MSP, PSS, and represented positions are recommended by SHR Compensation and approved by the Principal Officer.

SHR Compensation is authorized to classify positions held by represented and PSS employees and to recommend the classification and grading for MSP positions. Approval of the MSP recommendation shall be made by the appropriate Principal Officer (or Chancellor for MSP Grades VII and VIII). In addition, a unit may be delegated authority for the classification of specific titles.

**Salary Upon Upward
Reclassification:** **PSS and MSP Employees**

The general guideline for a one grade increase upon reclassification is approximately 5%. However, salary increases upon reclassification may vary from 0 - 25%, except that a larger increase may be granted if needed to bring the salary to the minimum of the new salary grade. The resultant salary must not exceed the maximum of the new salary grade.

Principal Officers and/or their designees are delegated authority to approve salary actions up to 25%.

**Salary Upon Upward
Reclassification:**

Note: Permanent increases to an employee's salary in a single fiscal year may not exceed 25%, unless an exception is approved by the appropriate Principal Officer. When a salary increase to the minimum of the new grade exceeds the 25% limit, formal approval of an exception to policy is not required, unless otherwise specified by the appropriate Principal Officer's procedures.

Factors to consider when determining a PSS or MSP salary increase are:

- Degree of change in responsibilities from the current to proposed classification;
- Relationship of the proposed new salary to salaries of other employees in the same classification in the unit or across the campus in the same or comparable positions;
- Employees' salaries in *other* classifications in the unit depending on the structure of the organization;
- Salary data for comparable positions in the market if available;
- Quality of performance and/or the employee's background/expertise/competencies in the new duties (i.e. the degree of training/development needed vs. having an extensive background);
- Degree to which the proposed increase will set a precedent for future actions;
- Availability of funding;
- Criteria specified by the Principal Officer.

Represented Employees

Please see union contract for salary increase information upon upward reclassification.

**Salary Upon
Downward
Reclassification:**

PSS, MSP, and Represented Employees

An employee's pay is normally decreased upon downward reclassification. In addition, the salary rate will not exceed the maximum of the new salary grade/range.

When determining salary, consideration should be given to the employee's current salary rate and the circumstances of the downward reclassification, in consultation with the Compensation Analyst, as appropriate.

In unusual circumstances, "red-circling" the employee's current rate above the maximum of the new salary grade/range may be warranted. This action freezes the employee's salary rate. As such, the employee will normally not be eligible to receive further salary increases until such time as the salary rate is encompassed by upward movement of the salary grade/range in which the employee's classification is assigned.

Principal Officers are authorized to approve "red-circling" actions.

**Salary Upon Lateral
Reclassification:**

PSS and MSP Employees

Generally pay should remain the same upon lateral reclassification unless circumstances warrant a within range increase, e.g., a more complex position. Any increase is subject to the 5% increase guideline as well as the 25% limit and the approval authorities described under *Salary Upon Upward Reclassification, p. A15-2*.

Represented Employees

Pay will remain the same upon lateral reclassification.

Process:**The Unit Manager or Supervisor:**

- Follows divisional procedures & protocol, which may require consultation about organizational changes and funding availability prior to assigning new responsibilities.
- Assigns responsibilities that may result in a change to classification level. (Reminder: Critical Functions may **not** be assigned until the appropriate background investigation has been completed. Please see Critical Functions Guide at <http://shr.ucsc.edu/shr-procedures/section-c/c18.pdf>.)
- Consults with the SHR Service Team to insure that the Job Description is complete and appropriate for review, and to determine whether or not the position requires a background investigation based on the Critical Functions Guide.
- Secures divisional approval in accordance with internal procedures and protocol.
- Compiles complete Classification Request Package:
 - [Employee Action Request \(EAR\) Form](#) (currently under revision)
 - Revised Job Description
 - Copy of the old Job Description
 - Organizational Chart
 - [Classification Review Questionnaire](#) (revised 3/08)
 - [Job Description Addendum](#) if the position is Supervisory, Managerial, or Confidential
- Submits the complete Classification Request Package to SHR Compensation (at Mailstop SHR) for review.

The Compensation Analyst:

- Upon receipt of approved, complete classification package, sends an email acknowledgement to the submitter, with a copy to the HR Service Team.
- Conducts a formal review of the position and determines classification level.
- Consults with SHR Service Teams as appropriate.
- Informs the department/unit requester and HR Service Team of the decision.
- Requests a salary decision from department/unit requester based on divisional protocol.
- Notifies Labor Relations when a reclassification results in movement out of an exclusively represented bargaining unit. Labor Relations will then notice the appropriate union.

HR Service Team:

- Reviews Job Descriptions for appropriateness and completeness, and recommends changes as needed.
- Determines if the position is a "Critical" position based on the Critical Functions Guide.
- Implements all approved actions into PPS at the completion of the process.

The Supervisor:

- Responds to Compensation conclusion email with a salary recommendation in accordance with divisional protocols.
- Informs the employee of classification decision and any changes to classification and/or salary.